file an appeal to the Executive Director of the Emergency Loan Guarantee Board. Such an appeal shall be in writing addressed to the Executive Director of the Emergency Loan Guarantee Board, c/o The Department of the Treasury, Washington, D.C. 20220. The appeal shall provide the name and address of the appellant, the identification of the record denied, and the dates of the original request and its denial.

(b) The appeal will be promptly considered. The granting or denial of the request upon appeal shall constitute final agency action.

2a. This action is taken pursuant to and in accordance with the provisions of section 552 of title 5 of the United States Code.

b. The provisions of section 553 of title 5, United States Code, relating to notice and public participation and to deferred effective dates, are not followed in connection with the adoption of this action, because the rules involved are procedural in nature and accordingly do not constitute substantive rules subject to the requirements of such section.

Dated: February 26, 1973.

TIMOTHY G. GREENE,
Secretary, Emergency Loan Guarantee Board.

[FR Doc.73-4469 Filed 3-7-73;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 11802; Amdt. 61-60]

PART 61—CERTIFICATION: PILOTS AND FLIGHT INSTRUCTORS

Miscellaneous Amendments; Correction

The purpose of this correction is to supply language inadvertently omitted from the lead-in statement in § 61.87(d) of Amendment 61-60 published in the FEDERAL REGISTER on February 1, 1973 (38 FR 3156), to become effective November 1, 1973. The correction is consistent with the proposal in Notice 72-9.

Accordingly, the lead-in statement in paragraph (d) of § 61.87 of Amendment 61-60, published in the FEDERAL REGISTER on February 1, 1973 (38 FR 3172; FR Doc. 73-1899), is corrected to read as follows:

§ 61.87 Requirements for solo flight.

* * * * *

(d) *Flight instructor endorsements.* A student pilot may not operate an aircraft in solo flight unless his student pilot certificate is endorsed, and unless within the preceding 90 days his pilot logbook has been endorsed, by an authorized flight instructor who—

* * * * *

Issued in Washington, D.C., on March 1, 1973.

J. H. SHAFFER,
Administrator.

[FR Doc.73-4410 Filed 3-7-73;8:45 am]

[Airspace Docket No. 72-NW-27]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Transition Area

On January 19, 1973, a notice of proposed rule making was published in the FEDERAL REGISTER (38 FR 1938) stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Bellingham, Wash., transition area.

Interested persons were given 30 days in which to submit written comments. No objections to the proposed amendment were received.

In consideration of the foregoing, the proposed amendment is hereby adopted without change.

Effective date. This amendment shall be effective 0901 G.m.t., May 24, 1973.

(Sec. 307(a), Federal Aviation Act of 1958, as amended, 49 U.S.C. 1348(a); sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Seattle, Wash., on February 28, 1973.

C. B. WALK, Jr.,
Director, Northwest Region.

In § 71.181 (38 FR 435) the description of the Bellingham, Wash., transition area is amended as follows:

To the text add, "and within 3.5 miles north and 8 miles south of the 288° bearing from Lummi NDB (latitude 48°47'-38'' N.; longitude 122°32'08'' W.) extending from the NDB 11.5 miles west of the NDB."

[FR Doc.73-4411 Filed 3-7-73;8:45 am]

[Airspace Docket No. 72-NW-26]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Transition Area

On January 17, 1973, a notice of proposed rule making was published in the FEDERAL REGISTER (38 FR 1644) stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Idaho Falls, Idaho, transition area.

Interested persons were given 30 days in which to submit written comments. No objections to the proposed amendment were received.

In consideration of the foregoing, the proposed amendment is hereby adopted without change.

Effective date. This amendment shall be effective 0901 G.m.t. May 24, 1973.

(Sec. 307(a), Federal Aviation Act of 1968, as amended, 49 U.S.C. 1348(a); sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c))

Issued in Seattle, Wash., on February 28, 1973.

C. B. WALK, Jr.,
Director, Northwest Region.

In § 71.181 (38 FR 435) the description of the Idaho Falls, Idaho, transition area is amended as follows:

In line 2 of the text, delete, "* * * extending from 21.5 miles northeast * * *" and substitute therefor, "* * * extending from 25.5 miles northeast * * *"

[FR Doc.73-4412 Filed 3-7-73;8:45 am]

[Docket No. 12573; Amdt. No. 854]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

This amendment to Part 97 of the Federal Aviation Regulations incorporates by reference therein changes and additions to the Standard Instrument Approach Procedures (SIAP's) that were recently adopted by the Administrator to promote safety at the airports concerned.

The complete SIAP's for the changes and additions covered by this amendment are described in FAA Forms 3139, 8260-3, 8260-4, or 8260-5 and made a part of the public rule making dockets of the FAA in accordance with the procedures set forth in Amendment No. 97-696 (35 FR 5609).

SIAP's are available for examination at the Rules Docket and at the National Flight Data Center, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591. Copies of SIAP's adopted in a particular region are also available for examination at the headquarters of that region. Individual copies of SIAP's may be purchased from the FAA Public Document Inspection Facility, HQ-405, 800 Independence Avenue SW., Washington, DC 20591, or from the applicable FAA regional office in accordance with the fee schedule prescribed in 49 CFR 7.85. This fee is payable in advance and may be paid by check, draft, or postal money order payable to the Treasurer of the United States. A weekly transmittal of all SIAP changes and additions may be obtained by subscription at an annual rate of $150 per annum from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Additional copies mailed to the same address may be ordered for $30 each.

Since a situation exists that requires immediate adoption of this amendment, I find that further notice and public procedure hereon is impracticable and good cause exists for making it effective in less than 30 days.

In consideration of the foregoing, Part 97 of the Federal Aviation Regulations is amended as follows, effective on the dates specified:

1. Section 97.23 is amended by originating, amending, or canceling the following VOR-VOR/DME SIAP's effective March 22, 1973.

Mosinee, Wis.—Central Wisconsin Airport, VOR-A, Amdt. 1.

* * * effective March 15, 1973.

New Castle, Ind.—New Castle-Henry County Municipal Sky Castle Airport, VOR Runway 27, Original.

* * * effective February 27, 1973.

Valdosta, Ga.—Valdosta Municipal Airport, VOR Runway 35, Amdt. 20.

2. Section 97.25 is amended by originating, amending, or canceling the following SDF–LOC–LDA SIAP's effective March 22, 1973.

Mosinee, Wis.—Central Wisconsin Airport, LOC Runway 8, Original.
Mosinee, Wis.—Central Wisconsin Airport, LOC (BC) Runway 26, Original.
Philadelphia, Pa.—Philadelphia International Airport, LOC (BC) Runway 27R, Original.

* * * effective February 22, 1973.

Christiansted, St. Croix, V.I.—Alexander Hamilton Airport, LOC Runway 9, Amdt. 1.

3. Section 97.27 is amended by originating, amending, or canceling the following NDB/ADF SIAP's effective April 19, 1973.

Youngstown, Ohio—Lansdowne Airport, NDB–A, Amdt. 3.

* * * effective February 22, 1973.

Christiansted, St. Croix, V.I.—Alexander Hamilton Airport, NDB Runway 9, Amdt. 1.

4. Section 97.29 is amended by originating, amending, or canceling the following ILS SIAP's effective February 23, 1973.

Lebanon, N.H.—Lebanon Regional Airport, ILS Runway 7, Amdt. 1.

* * * effective February 22, 1973.

Pontiac, Mich.—Oakland-Pontiac Airport, ILS Runway 9, Amdt. 1.

(Secs. 307, 313, 601, 1110, Federal Aviation Act of 1958; 49 U.S.C. 1438, 1354, 1421, 1510; sec. 6(c), Department of Transportation Act, 49 U.S.C. 1655(c) and 5 U.S.C. 552(a)(1))

Issued in Washington, D.C., on March 1, 1973.

C. R. MELUGIN, Jr.,
Acting Director,
Flight Standards Service.

NOTE: Incorporation by reference provisions in §§ 97.10 and 97.20 (35 FR 5610) approved by the Director of the Federal Register on May 12, 1969.

[FR Doc.73–4413 Filed 3–7–73;8:45 am]

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–10020]

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES EXCHANGE ACT OF 1934

Continued Suspension of Exempted Securities

On January 30, 1973, in Securities Exchange Release No. 9974 (38 FR 4401), the Commission suspended the operation of paragraph (m) of Rule 15c3–3 under the Securities Exchange Act of 1934[1] as to sell orders for exempted securities (e.g., U.S. Government and municipal obligations) until March 1, 1973, and requested comments of interested persons by February 20, 1973, regarding the operational problems encountered by customers in making deliveries of exempted securities within the designated time frame of paragraph (m). It was stated in Release No. 9974, that it had been represented to the Commission that the application of paragraph (m) to exempted securities may create operational hardships with respect to the delivery of exempted securities, and, in this connection, the Commission had been requested to reconsider the applicability of the rule with respect to exempted securities, particularly with regard to paragraph (m).

The Commission has received numerous comments on the operational problems encountered by applying paragraph (m) to exempted securities. As most of these comments were received on or around February 20, the Commission is still in the process of reviewing them. As it does not appear that this review will be completed by March 1, the Commission has determined to continue the suspension of the operation of paragraph (m) as to sell orders for exempted securities until April 10, 1973. After reviewing the comments, the Commission will set forth its views on this matter.

Broker-dealers are reminded that paragraph (m) remains in effect as to sale transactions by all customers, including financial institutions, with regard to all securities other than exempted securities.

The continued suspension of paragraph (m) with regard to exempted securities relieves a restriction within the meaning of 5 U.S.C. 553(d) and is effective March 1, 1973.

By the Commission.

[SEAL] RONALD F. HUNT,
Secretary.

MARCH 1, 1973.

[FR Doc.73–4458 Filed 3–7–73;8:45 am]

[1] Paragraph (m) of Rule 15c3–3 requires that if a broker-dealer executes a sell order for a customer and if for any reason the broker-dealer has not obtained possession of the securities from the customer within 10 business days after settlement date, the broker-dealer shall immediately thereafter close the transaction by purchasing securities of like kind and quantity.

Title 26—Internal Revenue

CHAPTER I—INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY

SUBCHAPTER A—INCOME TAX

[T.D. 7265]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Percentage To Be Used by Foreign Life Insurance Companies in Computing Income Tax for the Taxable Year 1972 and Estimated Tax for the Taxable Year 1973

This document contains the proclamation of the Secretary of the Treasury of a percentage to be used in determining a "minimum figure" for each foreign corporation carrying on a life insurance business, as provided for under section 819 of the Internal Revenue Code of 1954 (see 26 CFR 1.819).

Where this minimum figure exceeds such a corporation's surplus held in the United States, the amount of the "policy and other contract liability requirements" (determined under section 805 without regard to section 819), and the amount of the "required interest" (determined under section 809(a) without regard to section 819), must each be reduced by an amount determined by multiplying such excess by the "current earnings rate" (as defined in section 805(b)(2)).

It is hereby determined that for purposes of computing the 1972 income tax for foreign corporations carrying on a life insurance business a percentage of 15.1 shall be used in determining the "minimum figure" under section 819.

It is presently anticipated that the data with respect to domestic life insurance companies for 1972 required for the computation of the percentage to be used by foreign corporations carrying on a life insurance business in computing their estimated tax for the taxable year 1973 will not be available in time for the filing of the declaration of estimated tax for such taxable year. Accordingly, it is hereby determined that for purposes of computing the estimated tax for the taxable year 1973 and payments of installments thereof by such corporation a percentage of 15.1 (the percentage applicable for 1972) shall be used in determining the minimum figure under section 819. No additions to tax shall be made because of any underpayment of estimated tax for the taxable year 1973 which results solely from the use of this percentage.

Because the percentage announced in this Treasury decision is computed from information contained in the income tax returns of domestic life insurance companies for the year 1971, which are not open to public inspection, the public accordingly cannot effectively participate in the determination of such figure. Therefore, it is found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under subsection (b) of 5 U.S.C. 553 or subject to the effective date limitation of subsection (d) of that section.

[SEAL] FREDERIC W. HICKMAN,
Assistant Secretary
of the Treasury.

MARCH 3, 1973.

[FR Doc.73–4504 Filed 3–7–73;8:45 am]

[T.D. 7264]

PART 12—TEMPORARY INCOME TAX REGULATIONS UNDER THE REVENUE ACT OF 1971

Transfer to a DISC of Assets of Export Trade Corporation

This document contains amendments to § 12.5 of the Income Tax Regulations, which was promulgated in 26 CFR Part 12 and published in 37 FR 26007 for December 7, 1972, in order to conform the regulations to section 505 of the Revenue Act of 1971 (85 Stat. 551).

Under section 505(c) of the Revenue Act of 1971, no corporation may qualify as an export trade corporation unless it qualified prior to October 31, 1971. Section 505(b) provides for a tax-free transfer of the business of an existing export trade corporation to a DISC without the need of complying with section 367 and the other provisions of sections 354 through 368 of the Internal Revenue

Code. Section 12.5 of the Income Tax Regulations, which is hereby amended, provides rules for the transfer, including an indirect transfer, to a DISC of assets of an export trade corporation under section 505.

The amendments to § 12.5 contained herein clarify the applicability of such rules to transactions in which there is integrally involved the transfer of stock of the export trade corporation as well as a transfer of its assets. If the export trade corporation does not receive consideration for the stock or assets, then, with one possible exception, no gain or loss shall be recognized by, and no constructive dividend shall be included under section 301 of the Internal Revenue Code in the gross income of, the DISC, the export trade corporation, or their common parent by reason of the transaction.

The one exception is that if a party other than the export trade corporation receives consideration for the transfer of stock the rules of § 12.5 and section 505 do not prevent the recognition of so much of the gain realized by such party as is solely attributable to receiving such consideration and do not prevent the attribution of such recognized gain to the common parent. The amount of such gain is not adjusted by reason of section 482 of the Internal Revenue Code.

Amendments to the regulations. In order to clarify the applicability of section 505 of the Revenue Act of 1971 (85 Stat. 551) and § 12.5 of the Income Tax Regulations (26 CFR Part 12) to certain transactions involving the transfer to a DISC of stock and assets of an export trade corporation, paragraphs (a) and (b) of § 12.5 are hereby amended to read as follows:

§ 12.5 Transfer to a DISC of assets of export trade corporation.

(a) *In general.* (1) Section 505 of the Revenue Act of 1971 (85 Stat. 551) permits, subject to certain adjustments, certain tax-free transactions involving a transfer of property by an export trade corporation (as defined in section 971) to a DISC (as defined in section 992(a)).

(2) For purposes of this section, all statutory references are to the Internal Revenue Code of 1954 except that references to section 505 are to the Revenue Act of 1971. All terms used in this section shall have the same meaning as when used in such Code.

(b) *Direct, indirect, and other transfers.* (1) Under section 505(b)(1), if during a taxable year of an export trade corporation beginning before January 1, 1976, such export trade corporation without receiving consideration directly transfers property to a DISC, if all of the oustanding stock of each of such corporations is owned by a common parent, and if certain other conditions are met, then, among other consequences enumerated in section 505, notwithstanding section 367 or any other provision of Chapter 1 of the Code, no gain or loss shall be recognized by, and no constructive dividend shall be includible in the gross income of the export trade corporation, the parent, or the DISC by reason of such transaction. If, instead of a direct transfer from the export trade corporation to the DISC, the parties enter into an indirect transfer in which the property is distributed by the export trade corporation to the parent without receiving consideration and immediately thereafter is transferred by the parent to the DISC, then for purposes of section 505(b) the transaction will be treated as a direct transfer by the export trade corporation to the DISC, but only if—

(i) It is shown to the satisfaction of the Commissioner or his delegate that such indirect transfer of the property was carried out for bona fide business reasons, and

(ii) Each U.S. person (as defined in section 7701(a)(30)) which is a party to the indirect transfer enters into a closing agreement under section 7121 which provides that each of the tax consequences enumerated in section 505(b) shall apply.

(2) Subparagraph (1) of this paragraph shall apply also to:

(i) Any other indirect transfer of property of the export trade corporation to the DISC if section 505 would be applicable to a direct transfer of such property by the export trade corporation to the DISC, and

(ii) Any transaction as a part of which the stock of the export trade corporation is transferred to the DISC prior to a direct transfer of the property of the export trade corporation to the DISC,

if all of the parties to such indirect transfer or transaction meet the 100 percent stock ownership requirement set forth in paragraph (c) of this section.

(3) A transaction described in subparagraph (2) of this paragraph includes any transaction in which the common parent or its wholly owned subsidiary acquires the stock of the export trade corporation without any consideration paid directly or indirectly to the export trade corporation. Thus, except as otherwise provided in this subparagraph, no gain or loss is recognized by, and no constructive dividend is includable under section 301 in the gross income of, the export trade corporation, the common parent, or the DISC by reason of such transaction. If, in exchange for such transfer of stock, a party, other than the export trade corporation, receives consideration and realizes gain, then subparagraph (1) of this paragraph and section 505 do not apply with respect to the amount realized by such party (determined without regard to section 482) and thus do not prevent recognition of such gain and, for example, the application of section 951 to the parent of such party with respect to such gain.

* * * * *

Because of the need for immediate guidance with respect to the provisions contained in this Treasury decision, it is found impracticable to issue it with notice and public procedure thereon under subsection (b) of section 553 of title 5 of the United States Code or subject to the effective date limitation of subsection (d) of that section.

(Sec. 7805, Internal Revenue Code of 1954, 68A Stat. 917; 26 U.S.C. 7805)

[SEAL] JOHNNIE M. WALTERS,
Commissioner of Internal Revenue.

Approved: March 3, 1973.

FREDERIC W. HICKMAN,
Assistant Secretary of the Treasury.

[FR Doc.73-4503 Filed 3-7-73;8:45 am]

Title 29—Labor

CHAPTER V—WAGE AND HOUR DIVISION, DEPARTMENT OF LABOR

PART 511—WAGE ORDER PROCEDURE FOR PUERTO RICO, THE VIRGIN ISLANDS, AND AMERICAN SAMOA

Compensation of Committee Members

Pursuant to authority in section 5 of the Fair Labor Standards Act of 1938 (52 Stat. 1062, as amended; 29 U.S.C. 205) and Reorganization Plan No. 6 of 1950 (3 CFR 1949–53 Comp., p. 1004), I hereby amend 29 CFR 511.4 to read as set forth below. The purpose of this amendment is to increase the compensation of each member of an industry committee from $90 to $95 for each day spent in the work of the committee.

As this amendment concerns only a rule of agency practice, and is not substantive, notice of proposed rule making, opportunity for public participation, and delay in effective date are not required by 5 U.S.C. 553. It does not appear that such participation or delay would serve a useful purpose. Accordingly, this revision shall be effective immediately.

§ 511.4 Compensation of committee members.

Each member of an industry committee will be allowed a per diem of $95 for each day actually spent in the work of the committee, and will, in addition, be reimbursed for necessary transportation and other expense incident to traveling in accordance with Standard Government Travel Regulations then in effect. All travel expenses will be paid on travel vouchers certified by the Administrator or his authorized representative. Any other necessary expenses which are incidental to the work of the committee may be incurred by the committee upon approval of, and shall be paid upon certification of, the Administrator or his authorized representative.

(Sec. 5, 52 Stat. 1062, as amended; 29 U.S.C. 205)

Signed at Washington, D.C., this 2d day of March 1973.

BEN P. ROBERTSON,
Acting Administrator, Wage and Hour Division, United States Department of Labor.

[FR Doc.73-4438 Filed 3-7-73;8:45 am]